



"Representing the state's largest ag industry"

July 5, 2005

Docket No. 05-015-1
Regulatory Analysis and Development
PPD, APHIS
Station 3C71, 4700 River Road Unit 118
Riverdale, MD 20737-1238

Dear Dr. DeHaven:

On behalf of the membership of the Nebraska Cattlemen (NC), I appreciate the opportunity to provide comments on the United States Department of Agriculture's Draft Strategic Plan and Draft Program Standards for the National Animal Identification System (NAIS). Nebraska Cattlemen believes strongly that the development of an effective, efficient and cost effective animal identification system is paramount for the continued growth of the U.S. beef industry. How, when and ultimately why, the NAIS system is developed will and should provide multiple benefits to the beef industry including disease control, sustained consumer confidence and positive assurance to our trading partners.

Disease Surveillance and Control: Priority number one

Nebraska Cattlemen believes strongly that disease surveillance is and should be the number one priority of the NAIS. Policy adopted by NC membership supports a mandatory system for the purpose of disease surveillance. The NAIS must be capable of efficient trace-back within 48 hours of diagnosing an animal with a disease such as BSE, hoof and mouth disease or other animal diseases. Maintaining confidence of domestic and foreign consumers is crucial to continue growing beef's world-place market share. Conservative estimates indicate that the U.S. cattle industry lost approximately \$3 billion dollars in export value due to BSE. The U.S. cattle industry cannot continue to suffer these types of market opportunity losses. Future confidence levels, both domestic and foreign, are dependent upon the development of an efficient and effective NAIS.

Data Confidentiality: Crucial for producer involvement and compliance

The confidentiality of the data should be forefront and will be the foundation for compliance. Nebraska Cattlemen policy, while supporting a mandatory system, clearly states the desire of membership that the database be held and controlled by private industry for the protection of producer's information. Recent events surrounding BSE surveillance and investigation have NC concerned with the ability of USDA to provide confidentiality of animal identification information. Clearly, information currently can be requested through the Freedom of Information Act (FOIA) thus limiting state and federal agencies from maintaining confidentiality of producer information. This type of access can pose serious harm to producers and the industry in terms of economic stability. While the system must provide access to state and federal animal health officials, it must offer obvious protections for producers and their data.

Nebraska Cattlemen believes that private industry is very capable of providing a reliable, effective system that meets government requirements for 48 hour trace-back while maintaining producer information in a confidential manner. NC is supportive of the National Cattlemen's Beef Association's (NCBA) efforts of establishing a single and central national database that will allow appropriate access by animal health officials while maintaining the ability to protect producer information in a confidential manner.

Flexibility: Understanding established systems of marketing and data management

While the beef industry, more than any other U.S. animal industry, will more directly feel the impact of the proposed system, the NAIS must be flexible and accommodating of all types of cattle management and movement processes as well as currently established data management systems. NC understands most of the beef industry is preparing for implementation of radio frequency identification devices (RFID). However, there are established systems already in place that have wide producer acceptance and reliability in providing trace-back capabilities. Nebraska has brand legislation that is very effective at monitoring and documenting animal movement. The proposed draft does not appear to consider brand identifications as a part of the NAIS.

Additionally, understanding the speed of commerce is crucial to the success of any proposed NAIS. The proposed draft does not address where and who will be responsible for compliance when animals move to another premise where they can be commingled with other animals. Livestock market owners and veterinarians will be faced with uncertainty as to who is responsible for reporting information. As well, the NAIS should be user-friendly to insure nominal interruption to these types of service providers and thus insure that the rate of flow of livestock through existing market structures is minimally impacted.

Current NC policy also supports the NAIS not prohibiting producers from using the system as a foundation for additional data management. Many NC members utilize data management systems to further add value to their cattle through data collection and transfer. The NAIS must recognize these systems and allow producers to easily integrate their established management systems.

Cost: Who will bear the cost burden of the NAIS?

Nebraska Cattlemen has genuine concerns over the potential costs to individual producers and to the industry as a whole. USDA has requested through the appropriations process approximately \$33 million dollars which is not enough to cover the cost estimates for the entire NAIS. This leads NC to believe that there are expectations for producers to be responsible for the majority of the system implementation. NC understands the producers should and will have a financial responsibility for the system, thus producers should also have the opportunity for economic returns by participating in the system as previously mentioned under flexibility options. Additionally, if USDA expects industry to be financially responsible for implementation and compliance with the NAIS, then allowing for a private, independent database is reasonable.

Conclusion

Nebraska Cattlemen commends USDA and APHIS for providing the opportunity to comment on the very important issue of animal identification. NC strongly believes that this issue is one of the most important facing U.S. animal agriculture and can have positive benefits to the continued growth of the U.S. beef industry. NC looks forward to working with all partners to create an effective NAIS that benefits producers through disease surveillance and increased consumer confidence.

Respectfully yours,



Tom Hansen
President